



*Providing quality water, power and service at a competitive price that our customers value*

October 1, 2005

Elliot Mainszer  
Acting Vice President Bulk Marketing  
Bonneville Power Administration  
c/o Public Affairs Office – DM-7  
Portland, OR 97293-4428

Re: BPA's Renewable Rate Credit Proposal

Dear Mr. Mainzer,

The Snohomish Public Utility District appreciates the opportunity to comment on BPA's Renewable Rate Credit Proposal. In general, the Snohomish PUD joins in and supports the comments of the PPC.

Snohomish is owner and purchaser of three renewable resources within the region including the Jackson Hydroelectric Project, Kimberly Clark Co-generation Project and the Klickitat Bio-Mass Project. We are interested in supporting all renewable energy resources and not just "new" resources. While BPA's renewable rate credit program is important and responsive to new renewable energy projects, post 2006, it is not very responsive to existing renewable projects.

Many existing renewable resources post-1999 and pre-2006 that received credit this rate period and will continue to supply clean energy into and beyond the next rate period have in effect been excluded. Although some of these resources may be cheaper than market today - but that could change. There should be a credit or incentive offered to utilities to continue energy purchases and ownership of these resources that is not linked to fluctuating, short-term market prices.

Renewable energy resources that fall out of the "new" and "existing" categories, such as existing hydro, should not be forgotten as an equally clean power resource and an effort to encourage preserving and enhancing these resources should be a priority. Without support, the economics of these projects can be eroded and investments in carbon producing resources could eventually replace these older, but carbon free resources. For further information see [www.snopud.com](http://www.snopud.com) to access the paper on "Increasing and Protecting Hydropower as a Renewable Resource".

Thank you for the opportunity to comment on this important program and its provisions. We urge you to continue to adopt the PPC recommendations and address our concerns.

Sincerely,

Steve Marshall  
Assistant General Manager  
Power and Transmission Services